

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Cobblestone

Utah Manufacturing Extension Partnership

Cobblestone Activeware Uses Smart Marketing and Lean Manufacturing to Dominate Market

Client Profile:

Cobblestone Activeware began as Osborn Apparel, Inc., in 1947, in Los Angeles, California. Five Osborn brothers bought the existing clothing manufacturing business and moved it to their home state of Utah. The small shop eventually prospered to 5 plant locations and over 400 employees, producing quality products for Pendleton, White Stag, Eddie Bauer, and Jantzen. In 1974 the company name was changed to Cobblestones Activewear (TM). Cobblestones Activeware have done contract sewing for Nike, Pierre Cardin, Laguna, Jordache, Hind, Dophin and Amity and also have their own brand of quality athletic apparel under the Cobblestones Activeware and GAME GEAR brands. The company's facility in Salt Lake City, Utah, employs 150 people.

Situation:

Cobblestones Activewear had been faced with stiff price competition from offshore manufacturers in China, Pakistan, Viet Nam and India. In 2004, they had experienced little or no sales growth for over two years. Cobblestone President, Mark Osborne, suspected that lagging sales might be due to underperforming sales reps. He felt that changing out some of the reps or some sales training might get sales growing again. After discussions with the Utah Manufacturing Extension Partnership (MEP), a NIST MEP network affiliate, it was decided to first conduct a market research study and thoroughly interview the sales team to gain a better understanding why they thought sales were not growing.

Solution:

Utah MEP interviewed the sales team, compiling over 100 pages of transcripts. After evaluating the interview results, it was learned that customers had been asking for things that Cobblestones hadn't been delivering. First, customers wanted quicker turnaround on custom team uniforms; second, they wanted a larger variety of uniform styles. At the time, turnaround for custom uniforms was running four to six weeks. Customers said they wanted their uniforms in a week. The reps said that if custom uniforms could be delivered in a week, sales would explode. The reps also said that there were growth sports that Cobblestones was under serving. They asked that new products be developed to serve those markets. After reviewing the market research, the Cobblestones management team decided to implement Lean Manufacturing on the sewing line that produced custom uniforms. A core team of managers participated in MEP's Lean 101 training. Shortly thereafter an onsite course in Value Stream Mapping was delivered to managers and supervisors. During the training, current and future state Value Stream Maps were created and an action plan with improvement projects was developed. With an action plan in hand, plant manager Cade Osborn, with the assistance of his production team, designed and implemented a new layout in the sewing area. The objectives were to improve flow, reduce batch size, eliminate constraints and encourage team work. The results have been spectacular.

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Results:

- * Reduced lead times on custom athletic uniforms from 4-6 weeks to 8 days.
- * Increased sales 250 percent in 2005, with a forecasted increase of 400 percent in 2006.
- * Anticipated addition of a second shift and 20 additional employees.

Testimonial:

"The MEP opened our eyes to a new way of manufacturing with the Lean Manufacturing concept. We were skeptical at first, having been apparel manufacturing for 60 years. The demonstration seminar that we attended at the beginning of this process helped all of our production management see what was possible and how it could be done. The MEP was instrumental in taking the concepts and helping us apply them to our operation. Their continued follow up has been appreciated as well. In a climate where more and more of the apparel production has gone overseas and competition has become more intense, the Lean Manufacturing process has helped us fill a niche in the marketplace of quick custom athletic uniforms where speed in delivery is a requirement. Up until now, teams have gone with stock items to get the uniforms before the first game, but now with our "Eight-day Custom Express Service" they can get color combinations and styles to match their school colors and still have them before the start of the season."

Mark Osborn, President